

Press Conference
by U.S. Trade Representative Robert B. Zoellick and
Ecuador's Minister of Foreign Trade Ivonne Baki
in Quito, Ecuador
Tuesday, June 8, 2004

BAKI: Thank you for coming. We want to welcome the USTR, whom everyone in Ecuador already knows, Ambassador Robert Zoellick. As you all know, he has wide experience in the subject of trade openness. He has been a part of all U.S. trade negotiations, beginning with NAFTA, and all other negotiations that have taken place, so I believe it is very important that he visits us. We are glad he is here. In Ecuador, we all know that there are many perhaps not problems, but let's say issues, in understanding the free trade agreement. There is concern, with reason perhaps, because information has not been communicated as widely and thoroughly as it should have been. We are working on that. But the visit of Amb. Zoellick is very important for us because he can explain how trade, which I have always considered a positive factor, can help improve the quality of life for Ecuadorians and for all peoples that enter into negotiations. Those who benefit the most are always those who have less. He has the experience and knows the importance of free trade to generate jobs, which is what Ecuador needs the most. I would like to pass the microphone to Amb. Zoellick and of course welcome the U.S. Ambassador also who is a person very much loved around here too. Welcome Ambassador Zoellick.

ZOELLICK: Well first I want to thank all of you for joining us today. It's a particular pleasure for me to be here with my good friend and colleague Minister Baki. It's an honor for me to have a chance to meet President Gutierrez tomorrow. And I want to begin by congratulating the President and the Minister for their very successful hosting of the Miss Universe pageant. It enabled people all around the world to see your beautiful country. On this visit I have come in part to be able to have a conversation not only with the government but with the business sector, civil society, and members of Congress as well as the press. So I apologize, we are a little rushed but I'm trying to fit a lot in because one of my main goals of this visit is to listen and learn from these different groups in Ecuador about their attitudes on the economy and trade. Now we have a good base that we're working from which is the Andean Trade Preference Act. Because last year Ecuador exported some 2.7 billion dollars worth of goods to the United States. That's twice as many goods as the United States exported to Ecuador. And it was an increase of some 27 percent over the prior year. So we're now trying to build on that success. And that's why we have begun free trade agreement negotiations with Ecuador as well as its neighbors, Colombia and Peru. Because part of my message today is how we can work together to connect trade with the plans for Ecuador's development. Because the real purpose is not just trade but to create opportunity and jobs and hope for the people of Ecuador. And combining that with the stability of a Constitutional Democracy they work hand in hand to help Ecuador compete in the global economy. So I'm very pleased that the Minister arranged a meeting for me with a number of her colleagues in the government because these free trade agreements involve many sectors. So it helps us to be able to solve problems together. Thank you.

QUESTION: (In Spanish) Inaudible ...

ZOELLICK: Under the Andean Trade Preference Act, there are some requirements set by our Congress and some of these deal with improving the conditions of labor in Ecuador. And we are very pleased with the work that we have had with the Minister of Labor dealing with some issues like child labor. And it is a good example of how trade and the labor issues can work together because under the Andean Trade Preference Act, Ecuador now exports over 100 million dollars a year in cut flowers. And so we talked with the minister about emphasizing good labor conditions in that sector which he has already been working on. But we have some other issues in that area and also in some of the investment pockets. But with the president's leadership and that of the minister and some of her colleagues we've already made good progress and solved a number. So I'm pleased with the ongoing commitment to address the other topics. But what you should recognize is that we don't only want to talk about those issues, we want to talk about building for the future and how to try to expand the export and business ties between Ecuador and the United States. Because we want Ecuador to have the chance that Mexico has had, Chile has had, Central America has had. And if there's one message that I can ask you to help me convey, it's to recognize that Ecuador must compete in a global economy. So I just came, a couple days ago from a meeting of countries all through the Asia-Pacific region that was held in Chile. So you had countries like China and South-east Asia. And one of the reasons we are trying to negotiate this free trade agreement is to give an advantage to some of the countries that are in the western hemisphere. Because you can find in many areas there's a complementary. For example, agriculture is often very sensitive but Ecuador exports about five hundred and fifty million dollars of agriculture products to the United States. We export about one hundred million dollars to Ecuador and they don't overlap that much. So both sides benefit because the more people that have jobs in Ecuador, the more they'll buy goods from the United States and others.

QUESTION: (In Spanish) As a background, Ecuador has gone through a political crisis during the last few weeks, how much does this political crisis affect the progress of free trade negotiations and how necessary is the stability of a country in making progress in these type of negotiations. I mean stability in terms of institutional stability.

ZOELLICK: I had the pleasure of meeting President Gutierrez shortly after he was elected. And I think all the people of Ecuador can take pride in his election through a fair and open process. And we have respect for a number of the difficult decisions that he and his cabinet ministers have made. So we believe that constitutional democracy is obviously very important for Ecuador just as it is in the United States. We look forward to continuing to work with the President and his Ministers. And we also respect the role of the Congress which I am going to visit next. And obviously if there could be one message I could send others, it's the point that was implied by your question which is that political stability tends to support economic stability. So the work of the President in his team within a constitutional democracy working with the Congress will help make the economy of Ecuador more stable. I think that is the message that people have seen over the past couple of days with the Miss Universe Pageant and the meeting at the OAS. And that's a good message of leadership. Thank you.

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